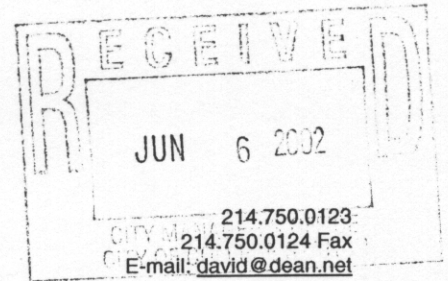


DEAN INTERNATIONAL, INC.
PUBLIC POLICY CONSULTANTS

TWO NORTHPARK
8080 PARK LANE, SUITE 600
DALLAS, TEXAS 75231-5911



June 5, 2002

VIA EMAIL

Mr. Charles A. Sippial, Sr.
Vice President, Administration
Texas A&M University
1247 TAMU
College Station, Texas 77843-1247

The Honorable Jay Don Watson
Mayor
City of Bryan
P.O. Box 1000
Bryan, Texas 77805-1000

The Honorable Al Jones
County Judge
Brazos County
300 East 26th Street, Ste. 114
Bryan, Texas 77803

The Honorable Ron Silvia
Mayor
City of College Station
P.O. Box 9960
College Station, Texas 77842-9960

RE: Services Agreement to Develop the "Brazos Express" High Speed Rail Corridor and Establish a Joint Effort By and Between Texas A&M University, Brazos County, the City of Bryan and the City of College Station to Accomplish Said Corridor Alignment

Gentlemen:

My colleagues and I have enjoyed the opportunity to meet with you on several occasions recently to among other things explore the opportunity to develop a high speed rail corridor that establishes Texas A&M University, Brazos County, the City of Bryan and the City of College Station on the main connection to and from Houston and Harris County and the rest of the state's major population centers principally located along the IH-35 corridor.

Discussions have already occurred with many public officials both elected and appointed at the local, regional, state and national levels in furtherance of this objective and much work, time and effort has already been expended and data assembled on an ad hoc basis to advance this agenda. To properly focus and prosecute this effort, you properly desire to formalize your relationship among yourselves and to retain public policy counsel to assist in the development and implementation of the strategy that will better enable you to accomplish your shared objectives.

To that end and pursuant to your request, please find attached a Services Agreement (SA) that establishes our relationship, codifies your collective vision, outlines our respective goals and objectives and sets forth our mutual obligations. As time is of the essence, the SA will need to be scheduled for consideration and adoption at the earliest practical time. Pursuant to your request, each of your entities is treated with equal dignity and respect and assigned identical obligations and responsibilities. The SA will take the joint effort through the end of

the current municipal FYE 2002, which ends on September 30, 2002. It contemplates, based on each of your individual assessments of progress made and opportunities available, a continuation of our joint relationship into the future, again solely at each of your exclusive options and pursuant to a contract to be developed at that time.

The tremendous population growth that the State of Texas is experiencing coupled with the short fall in available surface transportation funding and delays to short distance air travel aggravated by the attack on America has created a renewed interest at many levels of government and the private sector in the exploration of the development of high speed rail corridors to serve the state's major population centers. Specifically the Governor of Texas in conjunction with the Texas Department of Transportation (TxDOT) has developed in concept the "Trans Texas Corridor Program" (TTCP) that includes the aggressive development of a 4,000 mile 1,200 foot wide transportation and communication corridor connecting all areas of Texas by high-speed rail among other modes. Previous to the publication of the TTCP, TxDOT had submitted to the United States Department of Transportation (USDOT) and is actively pursuing an application for a demonstration project and planning grant for a higher-speed rail corridor along current AMTRAK rail lines that parallel IH-35 in Texas.

At the national level, the Transportation Equity Act for the 21st Century (TEA-21) is up for reauthorization by the congress in 2003 and hearings have already commenced in the U.S. House of Representatives and committee mobilization has commence in the U.S. Senate. Additionally at the national level, the Senate has passed and sent to the House of Representatives Senate Bill S.1991 known as the National Defense Rail Act of 2002 wherein a companion House Bill H.R.2950 has been under consideration. S.1991 identifies and establishes national goals and objectives for among other things the movement of troops and munitions to and from our military bases to and from our nation's strategically located airports and seaports and designates certain rail corridors throughout the country as strategic to the accomplishment of that stated mission.

You are aware of the other significant state and regional efforts and projects underway in Florida, in Georgia and the southeastern United States, in California and in the New England area, to develop high-speed rail corridors. In many respects these groups are much further advanced than Texas' nascent efforts and are very focused in influencing these national initiatives.

Of key interest to each of you is the fact that in none of the above referenced current initiatives, each of which are being actively and aggressively prosecuted, is Texas A&M University, Brazos County, the City of Bryan or the City of College Station found on any alignment of high speed rail under consideration. It is in part to rectify that omission that you contemplate the creation of this joint initiative and combines your collective talents, resources and influence to impact each of the above-enumerated actions in a manner favorable to the Brazos Valley Region and each of your respective entities.

You additionally refuse to allow to be repeated the historic oversight that occurred nearly 50 years ago when the Brazos Valley was tragically bypassed by the interstate highway system as the routes were established by the National Defense and Interstate Highway System Act enacted in 1956.

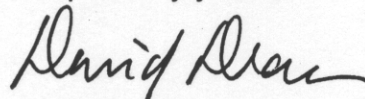
We propose that our efforts be divided into phases. Phase One will be initiated immediately and will include: 1) significant additional data assemblage; 2) the development and recruitment of additional public and private sector partners from Killeen on the west to Houston, Harris County and the Beaumont-Port Author area on the east to be involved and become members of the "Brazos Express High Speed Rail Corridor Coalition" with a contemplated commencement of October 1, 2002; 3) the presentation of the effort and the case for the Brazos Express High Speed Rail Corridor to numerous governmental entities in the initial attempts to modify the plans and acts under development; and (4) as enumerated above, assure that the Brazos Valley is recognized on those various high speed rail corridor alignments. Phase Two would involve the continued development of the corridor coalition and the expansion of the high-speed rail interests generally along IH-35 from San Antonio to the Dallas-Fort Worth Metroplex creating a very strong and focused group advocating high speed rail along the alignment that is depicted in the materials circulated at the June 3rd meeting and generally referred to as the "Texas T-Bone" Corridor.

The presentation materials presented on Monday June 3, 2002 with respect to this project are incorporated herein by reference. Please review the attached Services Agreement carefully and do not hesitate to give Stan Lynch or me a call if you have any questions or need clarification.

As you are very well aware there is a tremendous amount of work to do and precious little time to establish your position and begin the process of influencing these numerous objectives in a manner consistent with your goals. Assuming the Services Agreement captures the essence of our discussions and after appropriate authorizations have been received, please execute the Services Agreement and make your initial payment as indicated. We will then, after each has executed separately, circulate five original execution copies so that each signatory will have a jointly executed original for your records.

It is indeed an honor and a pleasure to be considered for this very important and historic assignment. While you are familiar with my firm and me, should you desire any additional information about our qualifications and project experience, please do not hesitate to give me a call. Additionally should you desire us to be present when you and your colleagues consider this matter further we would be pleased to accommodate.

Respectfully yours,



David A. Dean

Attachment

CC: Mary Kay Moore, City Manager, City of Bryan
Tom Brymer, City Manager, City of College Station